

TO: Mayor and City Council
THROUGH: Matt Fulton, City Manager
FROM: Korine Land, City Attorney
DATE: July 11, 2016
SUBJECT: Net Ministries



City of West St. Paul

BACKGROUND INFORMATION:

Net Ministries provides missionary training to college-age students who desire to serve on mission teams throughout the United States. Net temporarily houses students in a dorm-type setting on-site. In addition, Net currently owns 3 residential properties in which it houses training staff and intends to acquire two additional homes. A map showing the location of Net Ministries' main campus and the relevant houses is attached.

The use of single-family homes as rental properties for this purpose has caused concern because these properties are not yet licensed, they are not all contiguous to or part of the main campus and they are occupied by more than 3 unrelated people.

Properties involved:

- **110 Crusader** is the main campus and has a dorm that houses up to 150 students on site several times during the year. Net Ministries received a variance on December 19, 2000 to allow a dorm for up to 150 people for training purposes.
- **76 Crusader** is a house located on its main campus. Using the on-site housing for a church exception in our ordinance (§153.050), this single-family home is allowed up to 10 occupants and currently has 10 residents.
- **1990 Stryker** is a single-family home located across the street from the main campus and was purchased by Net in 2006. Using the same on-site housing exception noted above, this house would be allowed up to 10 occupants but currently has 8 residents.
- **1924 Bidwell** is a single family home that was purchased by Net in 2014 and currently houses 10 residents based on the previous language in the Code that allowed a congregate residence for 10 or less in a dwelling unit in the R1A zoning district.

[Old definition] Dwelling Unit. A building or portion thereof which contains living Facilities including provisions for sleeping, eating, cooking and sanitation for not more than one family *or a congregate residence for ten or less persons.* (emphasis added)

- **1962 Stryker** is an owner-occupied single family home. The owner has

entered into a purchase agreement with Net Ministries and the closing is scheduled for this summer.

- **2010 Stryker** is an owner-occupied single family home. The owner has entered into an option agreement/right of first refusal with Net Ministries giving Net the option to purchase when the owner desires to sell.

Staff met with Net Ministries several times over the last few months in order to identify a solution. We think we have found a staged-approach that will allow Net to fulfill its needs, while allowing the City to have an orderly and consistent application of its rental housing ordinance. Net has indicated that it can provide the missionary training through the existing on-site dorm for students and 4 single-family homes for staff. To that end, Staff brings these ideas for your consideration.

1. Rezone the Net Ministries main campus to a PUD with an underlying R4 zoning district.

- An underlying zoning district of R4 multi-family allows for sufficient density on the site, either with additions to the existing dorm or through the construction of new buildings on the site. Density calculations in the R4 would allow up to 221 units. A PUD provides flexibility from strict zoning requirements for a planned development within the confines of the topography and the existing buildings.
- The rental density restriction does not apply to R4 but would be applied to the remaining R1 properties within the “block.” Removing the Net main campus would still allow 2 rental licenses to be available on that block. (see rental density map)

2. Obtain rental licenses.

- **76 Crusader** and the dorm at **110 Crusader** need rental licenses. They would not be limited to the no-more-than 3 unrelated people ordinance because 76 Crusader uses the on-site housing exception (up to 10) and the dorm has a variance for up to 150 people. These licenses would not count against the block for rental density purposes.
- **1990 Stryker** needs a rental license but could continue to house up to 8 occupants (due to reliance on the on-site housing for a church provision).
- **1924 Bidwell** needs a rental license. Net is firm in its position that they relied on staff before acquiring the property as to the number of occupants that would be allowed. However, upon acquiring 1962 Stryker, Net indicated it can move 4 people from Bidwell into 1962 Stryker, which will leave 6 people at Bidwell for now. Then, upon either the acquisition of 2010 Stryker or the completion of a new house on the main campus, Net can move the remaining people out of Bidwell and either sell the property or limit the number of occupants to no more than 3 unrelated people. Staff recommends that this occur within 3 years.
- **1962 Stryker** will need a rental license for 4 people. The use of this property is only temporary while Net either constructs the new house on the main campus or until it acquires 2010 Stryker, whichever occurs

- first. The rental license would provide special conditions allowing 4 people.
- **2010 Stryker** will need a rental license. This property would need to house up to 10, so they would need special conditions with the rental license.

In the end, the 4 houses for staff are intended to be 76 Crusader, new house next to 76 Crusader (both located on the main campus), 1990 Stryker and 2010 Stryker (both across the street but closest to the Northern Service Center). Since no other rental licenses will be available on this block, 1962 Stryker will have to be sold or become owner-occupied.

FISCAL IMPACT:

none

STAFF RECOMMENDATION:

Discuss and provide direction to Staff

ATTACHMENTS:

Map of Net Properties
Rental Density Map